



Fiscal Year 2015 Preliminary General Fund Budget Forecast

September 18, 2013

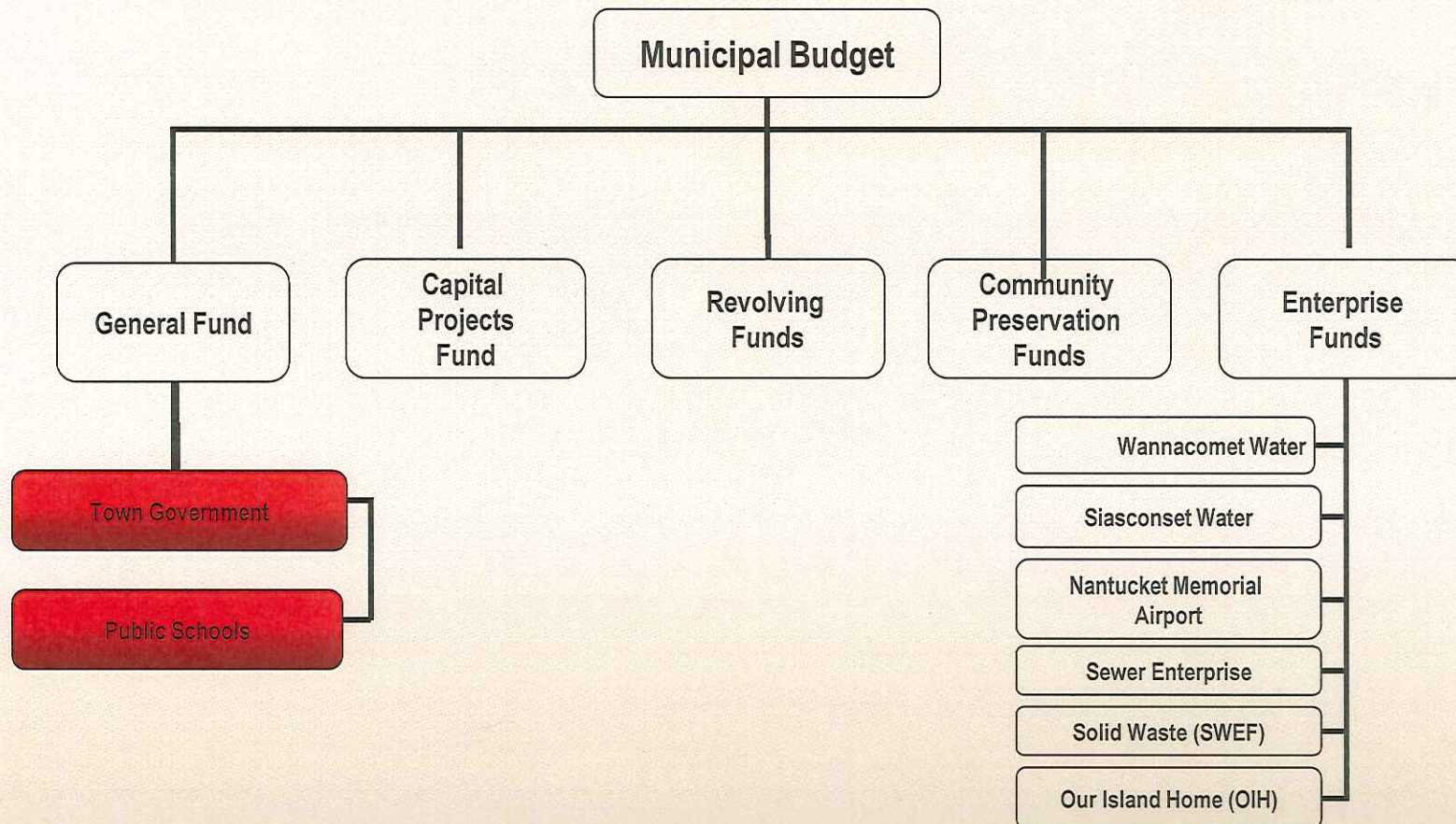
Board of Selectmen's Meeting



- FY2015 Budget Theme
“Strengthening Fiscal Responsibility by Design”
- FY2015 Budget Focus
“The time to repair the roof is when the sun is shining.” John F. Kennedy



Municipal Budget Overview





Municipal Funds

USE OF FUNDS BY DEPARTMENT

DEPARTMENT	FUND				
	GENERAL FUND	REVOLVING FUNDS	CAPITAL PROJECT FUNDS	ENTERPRISE FUNDS	COMMUNITY PRESERVATION FUNDS
Administration, Finance, and Planning	✓	✓	✓		
Code Enforcement	✓	✓	✓		
Fire Services	✓	✓	✓		
Police Services	✓	✓	✓		
Marine & Coastal Resources	✓	✓	✓		
Maintenance	✓		✓		
Human Services	✓		✓		
Culture & Recreation	✓		✓		
Education	✓	✓	✓		
Nantucket Memorial Airport			✓	✓	
Our Island Home	Partial Subsidy		✓	✓	
Sewer			✓	✓	
Solid Waste	Partial Subsidy		✓	✓	
Siasconset Water			✓	✓	
Wannacomet Water			✓	✓	
Community Preservation Committee					✓



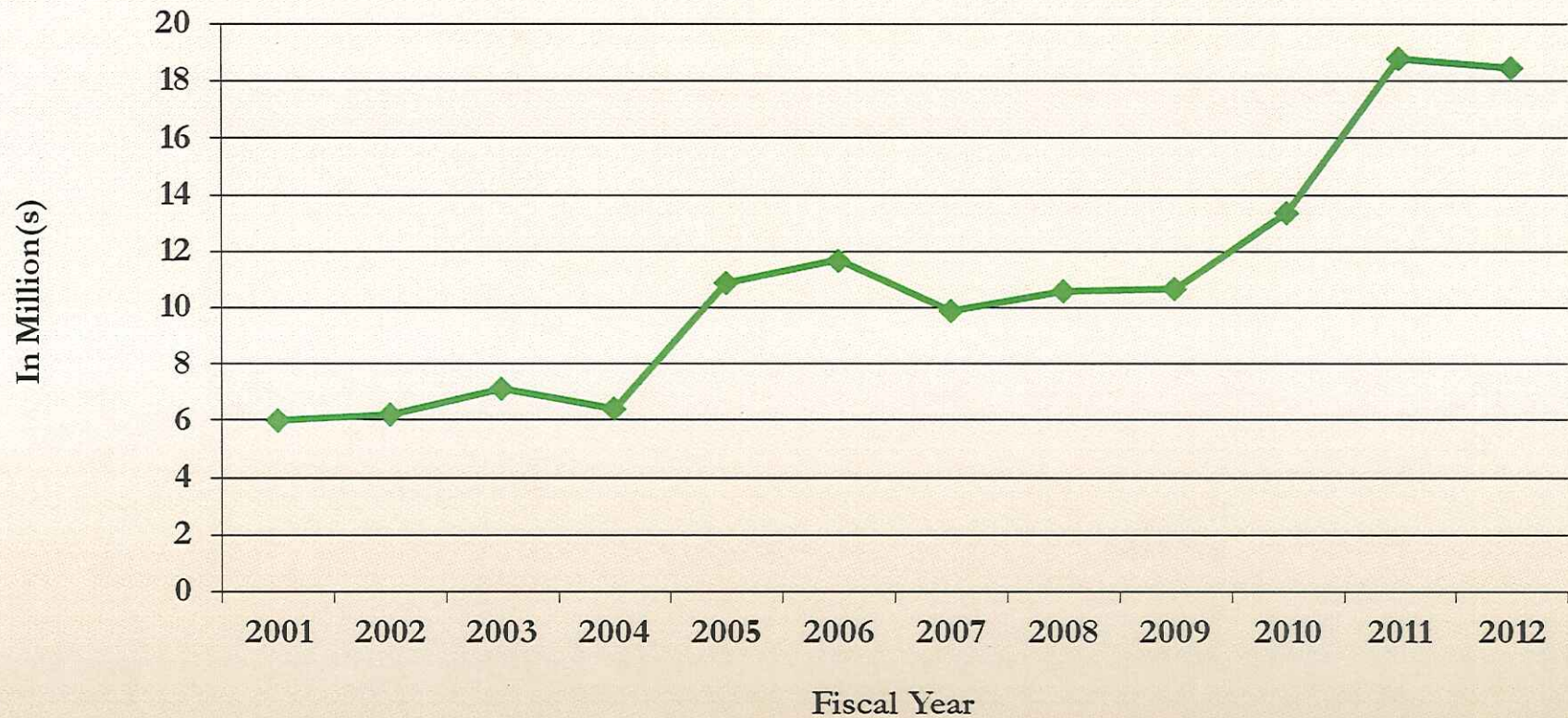
Local Economic Factors

Indicator	2009	2010	2011	2012	2013
Tax Collection Rate	96.00%	98.00%	98.60%	99.40%	100.20%
Residential Tax Rate	\$2.76	\$3.01	\$3.58	\$3.62	\$3.67
Commercial Tax Rate	\$4.92	\$5.35	\$6.41	\$6.47	\$6.51
Moody's Bond Rating	Aa3	Aa2	Aa2	Aa2	Aa2
Debt Service as % of General Fund Operating Budget	14.38%	13.47%	15.30%	14.80%	11.80%



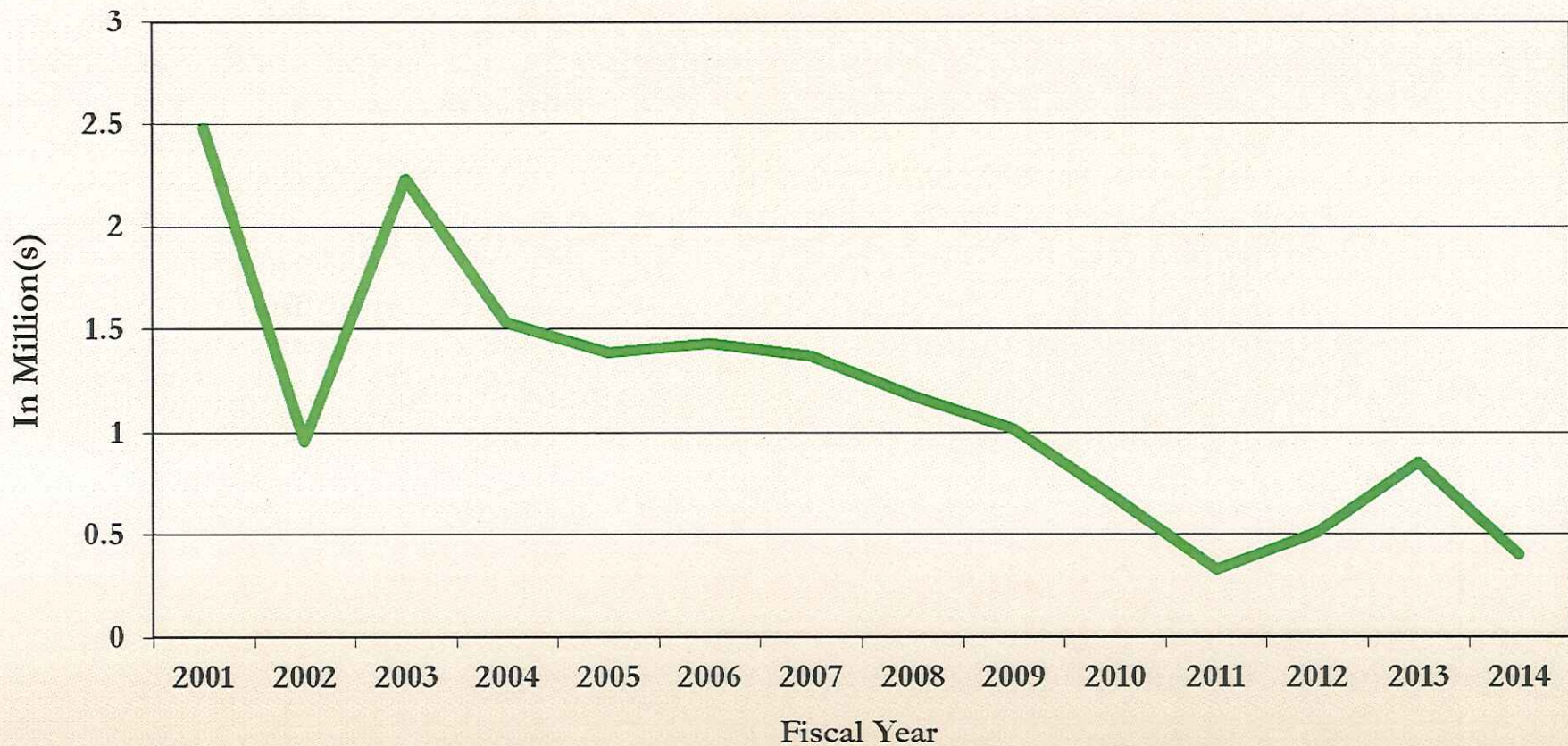
General Fund Financial Health

Positive Trend - Fund Equity





General Fund New Growth

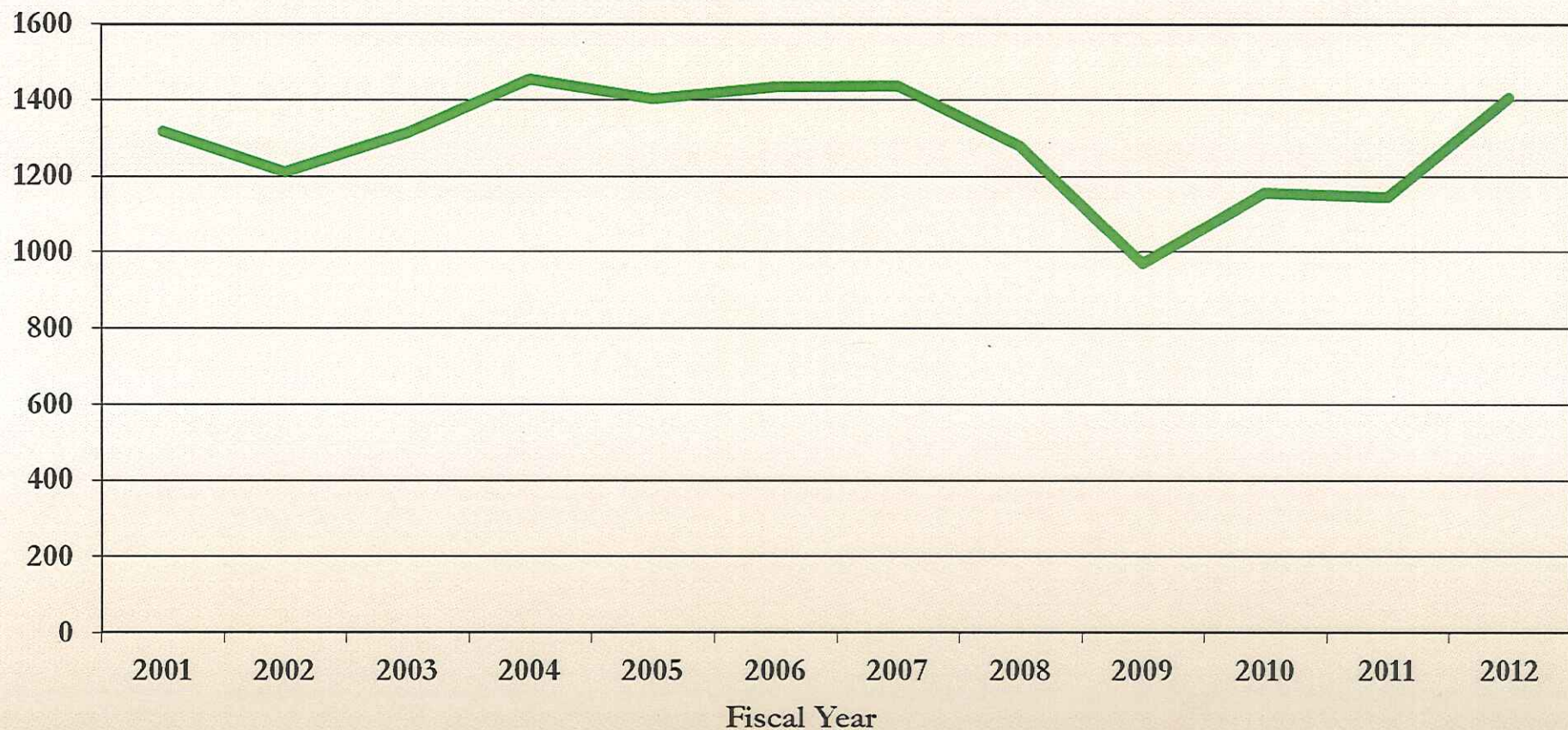


**General Fund FY2014 represent projections*



General Fund Building Permit Activity

Number of Building Permits

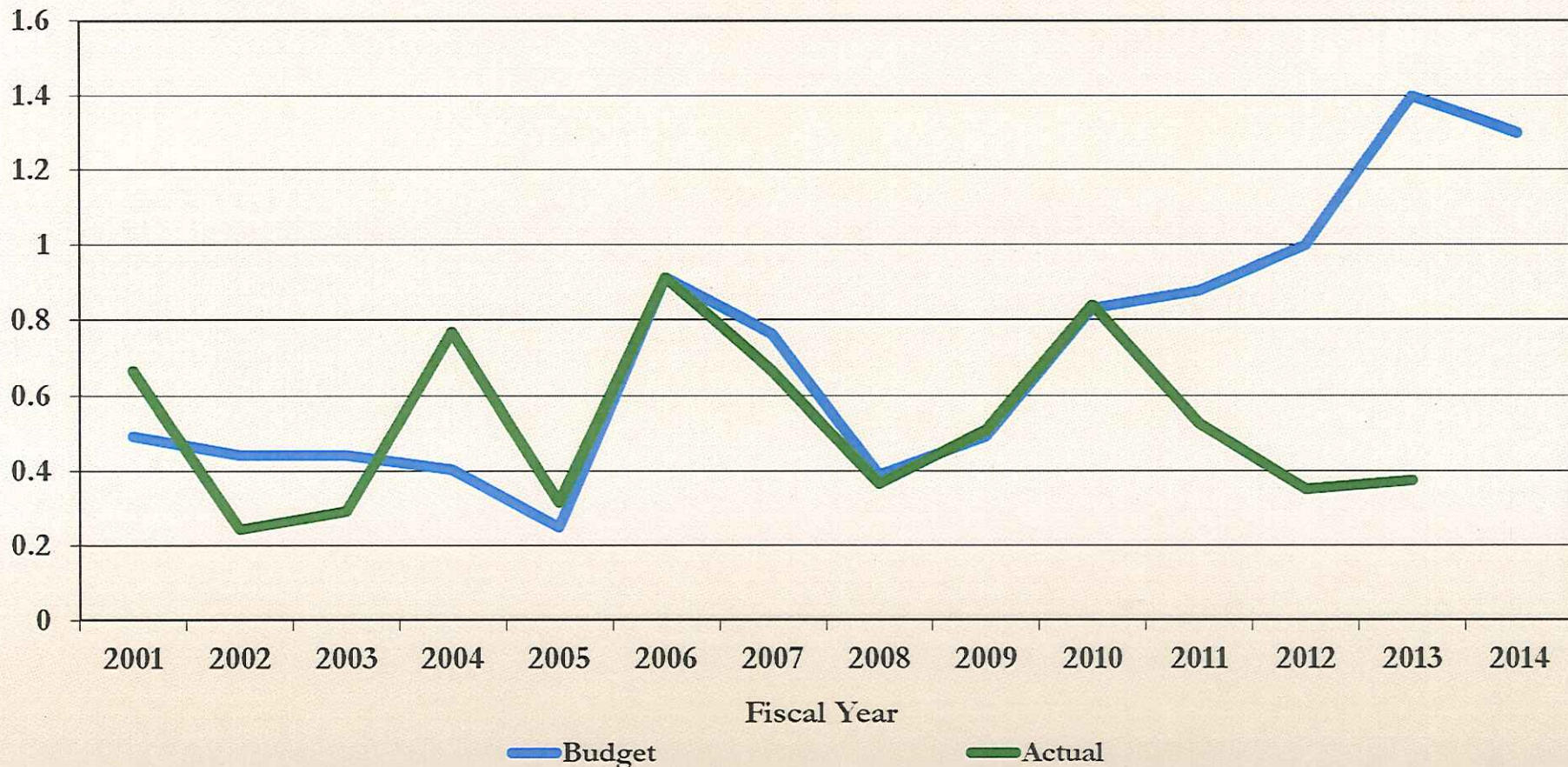


**Source: Building Division of Planning & Land Use Services (PLUS)*



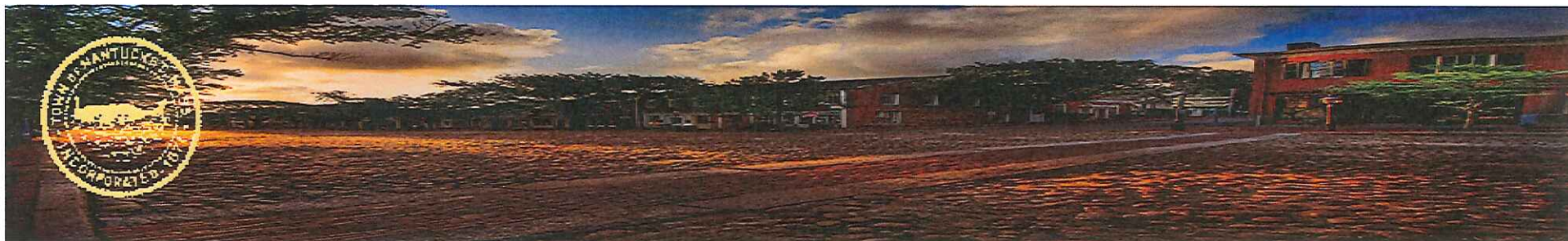
General Fund Abatements

Budget vs. Actual



**General Fund FY2014 represent projections*

***Abatement Cases may take up to 3-4 years to settle; FY2011 – FY2013 Accounts still active*



GENERAL FUND LONG TERM FOCUS



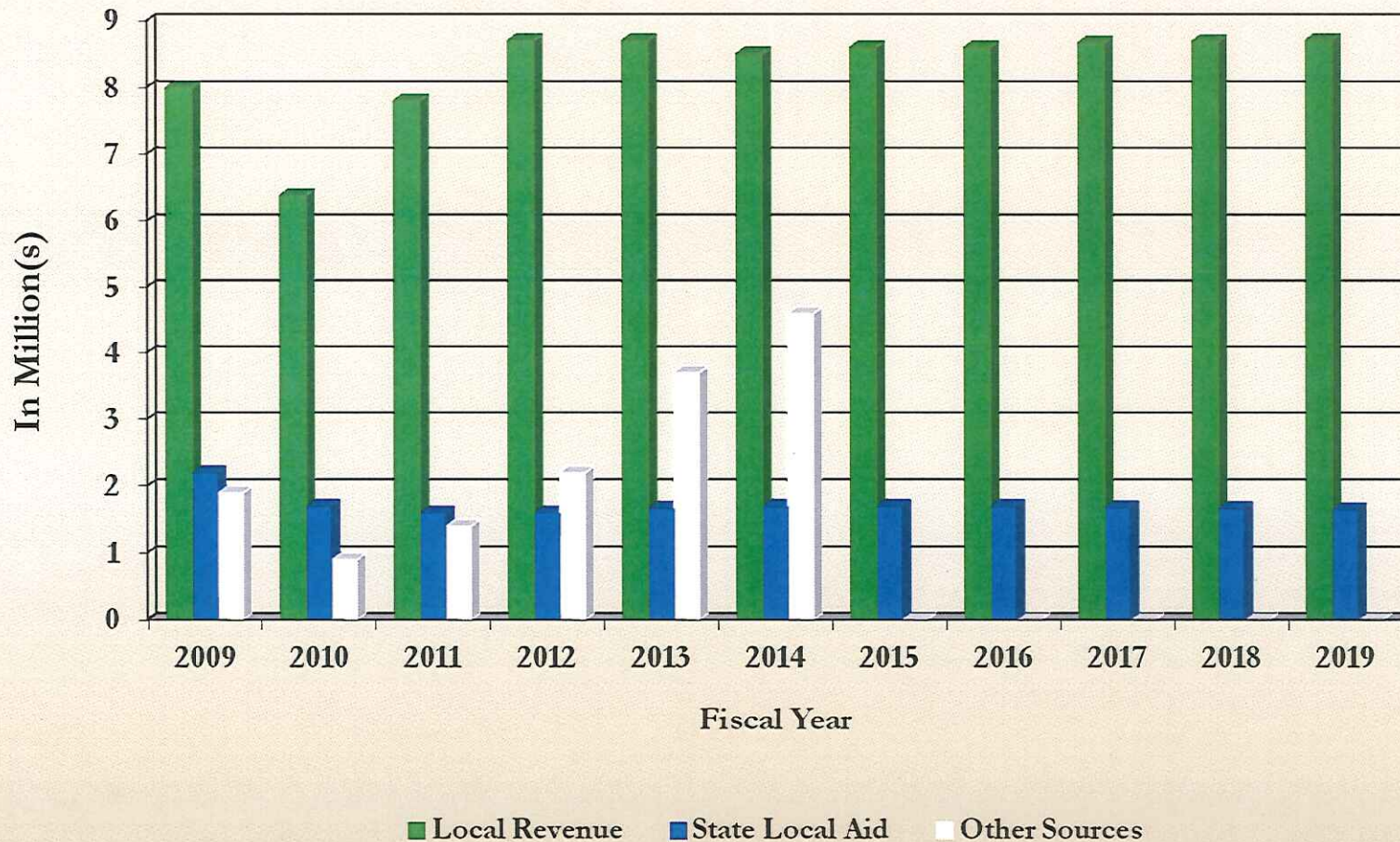
Long Term Focus General Fund Revenue



**General Fund Revenue FY2014 – FY2019 represent projections*



Long Term Focus General Fund Revenue Cont.



**Local Revenue from 2006 to 2010 does not include Our Island Home*

***General Fund Revenue FY2014 – FY2019 represent projections*



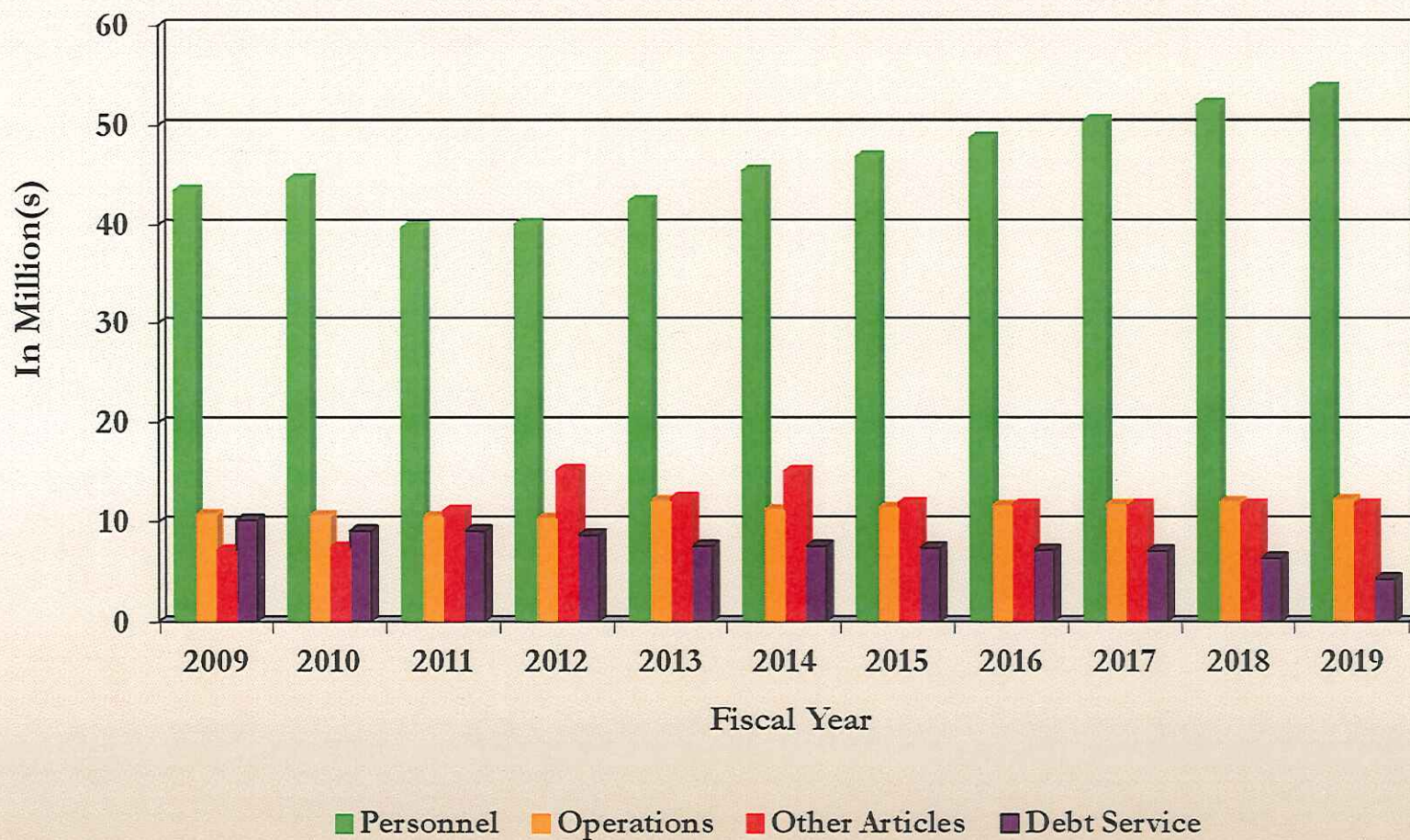
General Fund – Revenue Projection Assumptions*

Revenue	2013 Budget	2014 Projection	2015 Projection	2016 Projection	2017 Projection	2018 Projection	2019 Projection
Tax							
Revenue	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
New							
Growth	4.00%	2.00%	-25.00%	-8.33%	-12.73%	-16.67%	0.00%
Allowance for							
Abatements	1.50%	2.50%	4.48%	2.40%	2.48%	1.59%	-0.20%
State Revenue	-10.00%	-2.50%	-0.50%	-0.75%	-1.00%	-1.00%	-1.00%
Local Revenue							
Motor Vehicle Excise	1.00%	0.50%	0.50%	0.50%	0.25%	0.25%	0.25%
Other Excise	1.00%	0.50%	1.00%	0.75%	0.75%	0.50%	0.50%
Boat Excise	-4.29%	-8.00%	-4.50%	-4.00%	-4.00%	-3.00%	-3.00%
Meals Excise	0.15%	5.50%	4.50%	3.75%	3.75%	3.00%	3.00%
Rooms Excise	0.04%	4.00%	3.00%	2.50%	2.50%	1.50%	1.50%
Penalties and interest on taxes and excises	1.00%	0.50%	0.25%	0.15%	0.15%	0.15%	0.15%
Payments in Lieu of Taxes	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Charges for Services	-0.25%	0.00%	0.00%	0.10%	0.10%	0.10%	0.10%
Fees	-0.25%	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%
Rentals	-0.25%	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%
Other Departmental Revenue	-0.25%	0.00%	0.25%	0.10%	0.10%	0.10%	0.10%
License & Permits	0.50%	0.25%	-1.00%	0.10%	0.10%	0.10%	0.10%
Fines and Forfeits	-1.00%	-2.00%	0.50%	-1.00%	0.00%	-0.50%	-0.50%
Investment Income	0.50%	0.50%	-2.50%	0.25%	0.03%	0.03%	0.03%
Miscellaneous Recurring (RDS Subsidy)	0.00%	-1.00%	-1.00%	-2.50%	-3.00%	-3.00%	-3.50%
Non-Recurring	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Assumptions based on living within revenue*



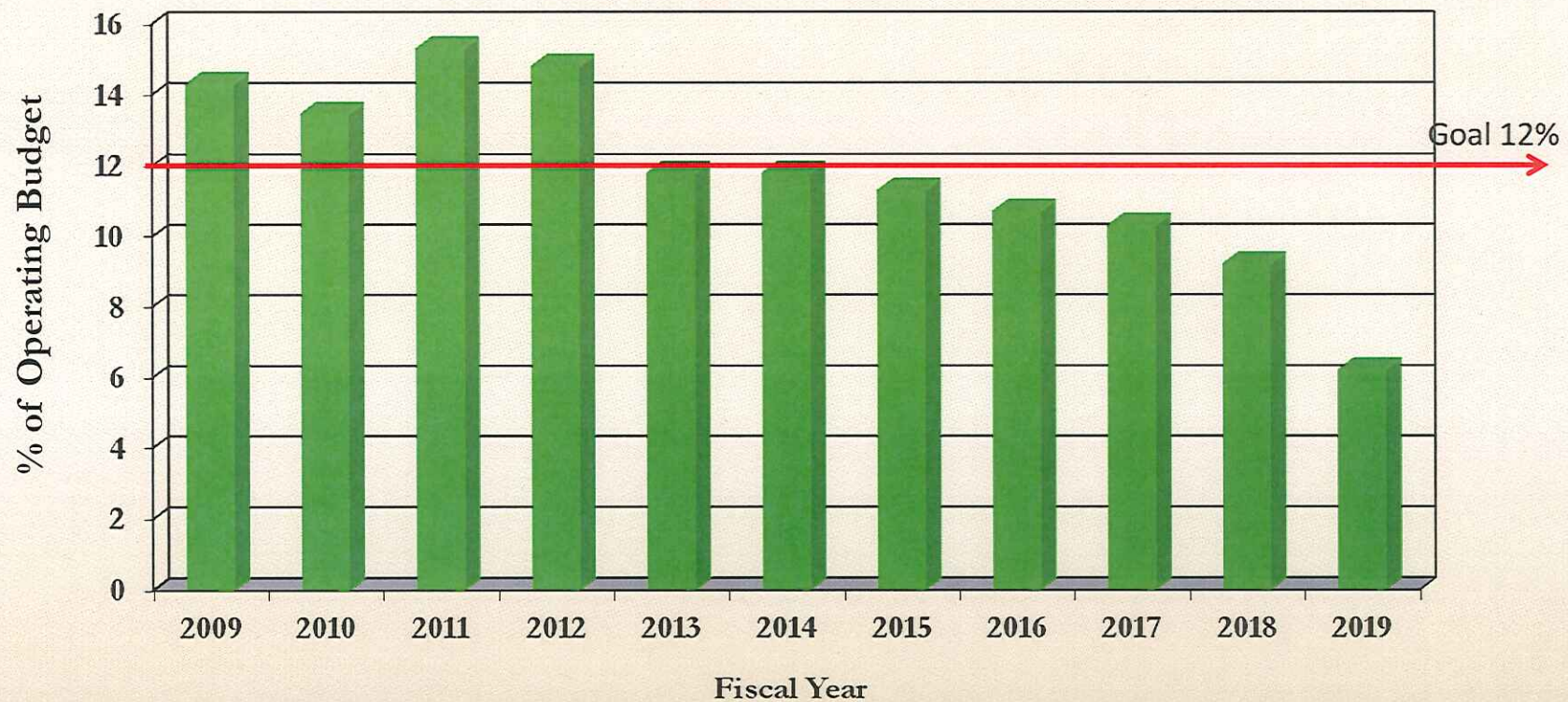
Long Term Focus General Fund Operating Expense





Long Term Focus General Fund Debt Service

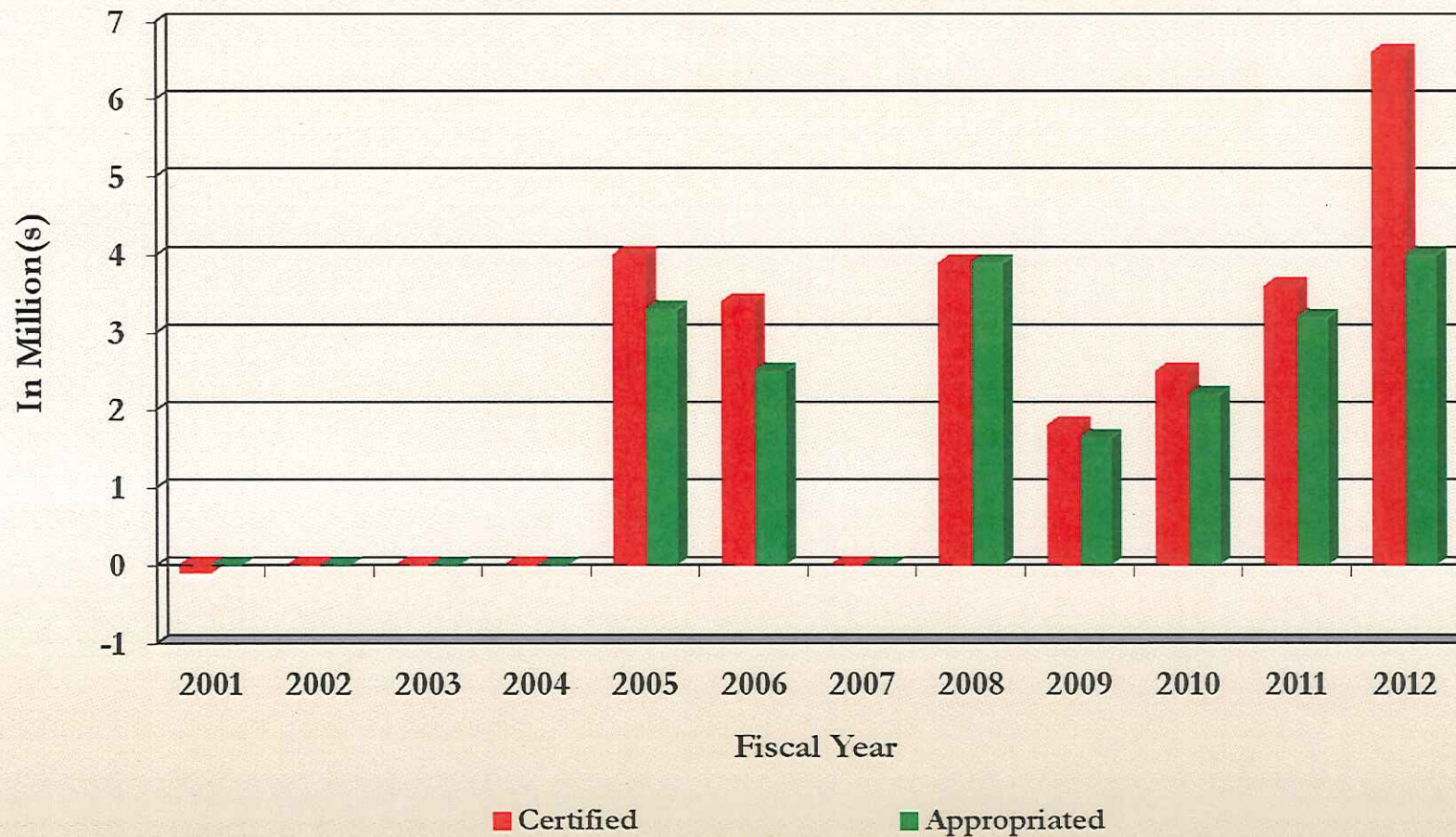
Existing General Fund Debt as % of Operating Budget



**2011 Public Safety Facility was Long-term*



General Fund Free Cash Certified vs. Appropriated





General Fund – Expense Projection Assumptions*

Operating Expenses

	2013 Budget	2014 Projection	2015 Projection	2016 Projection	2017 Projection	2018 Projection	2019 Projection
Non Discretionary							
Medical Insurance Premium Increases *	4.00%	6.00%	8.00%	8.00%	8.00%	8.00%	8.00%
General Insurance Increases	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Barnstable County Retirement Increase (Decreases)	10.00%	10.50%	10.25%	10.25%	10.50%	10.50%	10.50%
Discretionary							
Town Salary Increases (Decreases)	1.50%	1.50%	1.21%	1.21%	1.21%	0.73%	0.60%
School Salary Increases	1.50%	1.50%	1.21%	1.21%	1.21%	0.73%	0.60%
Transfers to Community School	14.00%	40.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town Operating Expense Increases (Decreases)	1.00%	1.00%	1.00%	1.00%	1.00%	0.75%	0.25%
School Operating Expense Increases (Decreases)	0.00%	1.00%	1.00%	1.00%	1.00%	0.75%	0.25%
Health & Human services contract Increase (Decrease)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Solid Waste Enterprise Fund (GF Subsidy)	1.50%	1.50%	1.21%	1.21%	1.21%	0.73%	0.60%
Solid Waste Enterprise Fund (Mining)	1.60%	1.50%	1.21%	1.21%	1.21%	0.73%	0.60%
Our Island Home Ent. Fund (GF Subsidy)	1.50%	1.50%	1.21%	1.21%	1.21%	0.73%	0.60%
Airport Ent. Fund (GF Subsidy)	-58.71%	2.48%	-25.00%	0.00%	0.00%	0.00%	0.00%
Capital Improvements Budgeted from Revenue	1.33%	1.08%	147.98%	-0.65%	-0.80%	1.60%	1.00%

**Assumptions based on living within revenue*

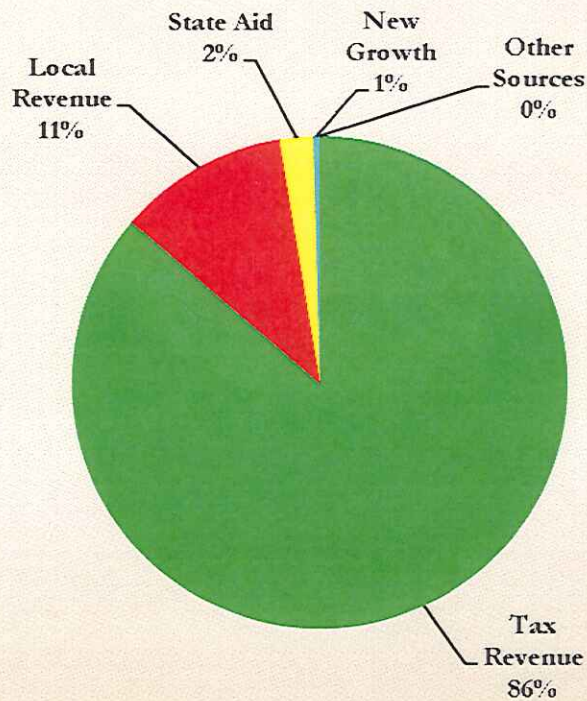


FISCAL YEAR 2015



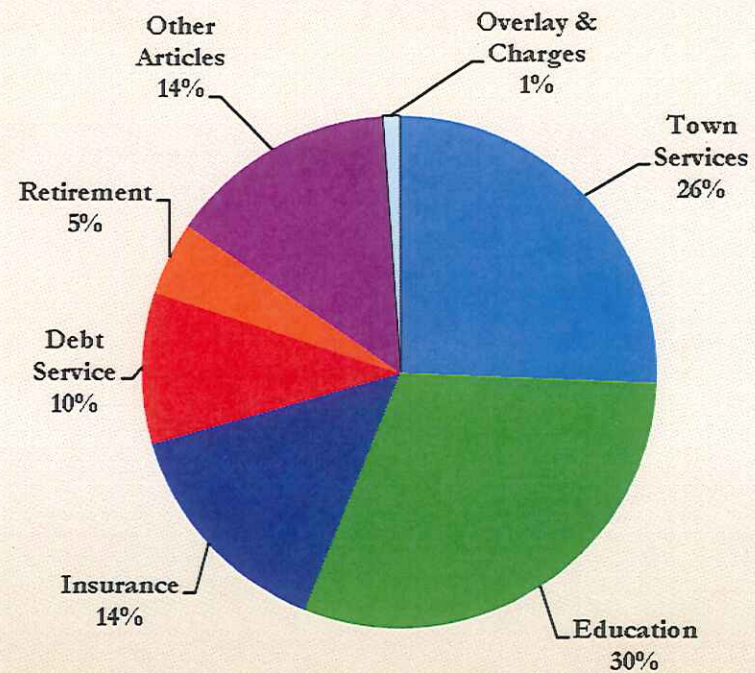
Fiscal Year (FY) 2015 General Fund Projection

Revenue Projected Sources As of 09/18/2013



\$77,783,791

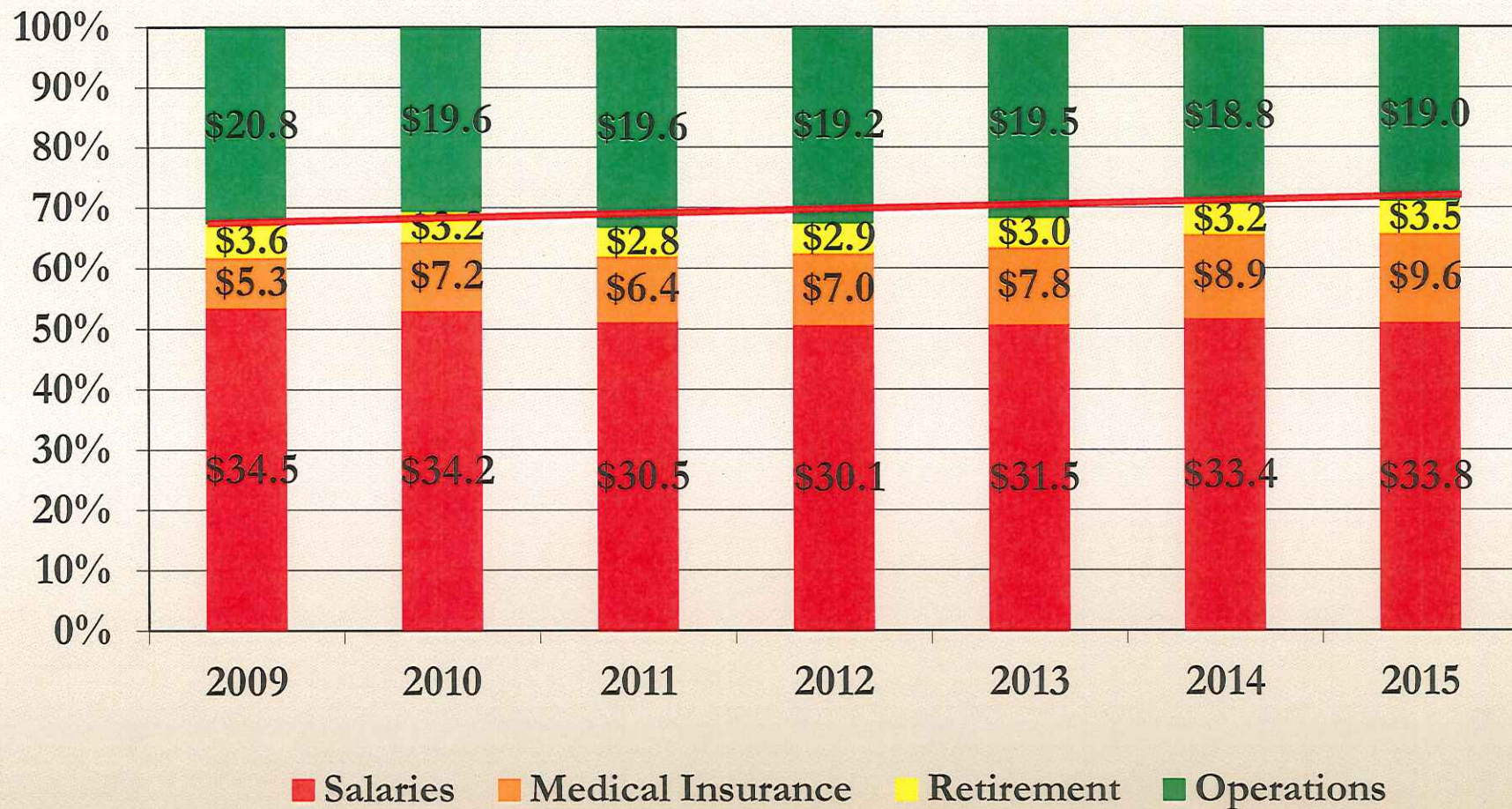
Expense Projected Uses As of 09/18/2013



\$77,783,791



FY 2015 General Fund Projection Operating Budget

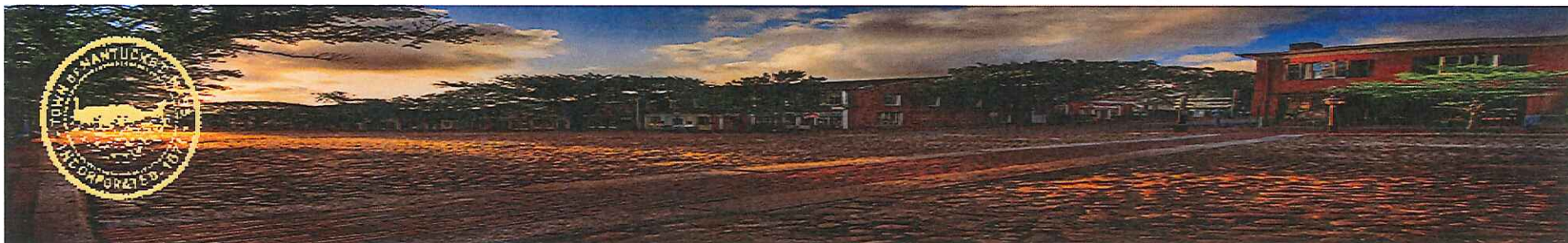


**Figures within columns represented in million(s)*



Next Steps

- September 2013
 - Town Manager issues budget instructions to departments
 - Ad Hoc Budget Committee Begins 2015 Budget Review
- October 2013
 - Capital Program Committee Begins to Review Capital Requests
 - Further refinement of projections
 - Quarterly Review of FY2014 Airport, SWEF, SEF, and OIH Budget to Actual
- November 2013
 - Further refinement of projections based upon department head submittals
 - Town Administration and Finance review options to deliver a balanced budget
 - Tentative: Review of health insurance budget and debt service budget
- December 2013
 - Tentative: Review of Barnstable County Retirement Assessment
 - Town Administration presents FY2015 budget recommendations to the Board of Selectmen
- January 2014
 - Board of Selectmen present FY2015 budget recommendations to the Finance Committee



Questions?